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FORT WAYNE MARKET NEWS

United States Department of Agriculture
Agricultural Marketing Service
Milk Marketing Orders Division

1122 South Harrison Street
Fort Wayne, Indiana 46802
Phone: 742 - 7401

Federal Milk Order No. 47

Issued for Information of Producers
Who Are Not Members of Cooperative Associations

Vol. VIII No. 1

U. S. DEPT. OF AGRICULTURE
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January 1964

DECEMBER UNIFORM PRICE \$4.03

JAN 30 1964

Dairy farmers who delivered Grade "A" milk to handlers subject to the Fort Wayne milk order in December 1963, will receive a minimum uniform price of \$4.03 per hundredweight for milk testing 3.5%. A butterfat differential of 7.1 cents for each one tenth of one percent that individual tests vary above or below the 3.5% standard will be used. This minimum price is subject to a 4 cent per hundredweight marketing service deduction and authorized hauling charges. The computation of the minimum blend price is shown on page 5 and the class prices on page 4.

The \$4.03 price for December 1963, is 44 cents below the November 1963 price, but 5 cents above the December 1962 price.

PRODUCER RECEIPTS AND UTILIZATION

Approved producers shipped 20,807,659 pounds of milk to the Fort Wayne market during December 1963, of which 15,628,927 pounds or 75.1% was utilized in Class I by 18 pool handlers. Production was up 6.4% from November 1963. Class I utilization of producer milk was up 1.0% from November 1963.

JANUARY CLASS I PRICE \$4.36

\$1.20 was added to the December basic formula price of \$3.16 (Wisconsin-Minnesota Series) to establish the Fort Wayne Class I price for January. This price of \$4.36 is identical with the December Class I price.

OUTLOOK FOR DAIRY PRODUCTS IN 1964

Production will equal 1963 levels, commercial demand probably will increase less than the population, and excess dairy products will continue to move to the Commodity Credit Corporation. Prices to dairy farmers and to consumers will average about the same as a year earlier. Cash receipts from farmer's sales of dairy products are likely to increase slightly over 1963 in line with larger marketings. Offsetting near-record cash receipts to dairymen will be the rising production costs.

This outlook is based on continuation of the present dairy support program with supports at 75 percent of parity. However, milk production, marketings, consumption, prices and farmers' returns from dairying in 1964 will be affected by the kind of dairy program that arises from proposals now being considered by Congress.

Economic Research Service U.S.D.A.

UTILIZATION AND CLASSIFICATION OF ALL MILK RECEIPTS

<u>CLASS I MILK</u>	December 1963 Reported		December 1962 Reported	
	<u>Milk Pounds</u>	<u>BF Pounds</u>	<u>Milk Pounds</u>	<u>BF Pounds</u>
Fluid Milk	13,278,858	464,642	11,563,334	407,478
Regular Skim Milk	670,069	11,939	298,616	3,924
Skim Milk - Solids Added	976,078	17,688	1,115,056	21,077
Buttermilk	109,814	1,182	140,976	1,185
Flavored Milk/Drink	512,610	14,398	504,251	14,300
Cream Mixtures	211,356	25,935	197,207	23,978
Light Cream	10,983	2,272	13,186	2,844
Heavy Cream	34,133	11,964	33,503	11,419
Sour Cream	39,245	7,271	34,099	6,300
Sub Totals	15,843,156	557,291	13,900,228	492,505
Plus Unaccounted For	27,481	2,202	13,429	4,519
Gross Total Class I Milk	15,870,637	559,493	13,913,657	497,024
Less Other Source Receipts	241,710	13,951	230,989	14,105
Less Overages	-0-	-0-	-0-	-0-
Less Beginning Inventory	-0-	-0-	37,595	-0-
<u>CLASS I PRODUCER MILK IN POOL</u>	<u>15,628,927</u>	<u>545,542</u>	<u>13,645,073</u>	<u>482,919</u>
<u>CLASS II MILK</u>				
Class II Production	1,404,199	52,755	1,553,591	49,770
Sales to Nonpool Plants	3,572,762	216,826	3,090,375	192,329
Ending Inventory	1,485,357	61,161	1,303,184	54,118
Dumped or Livestock Feed	100,313	969	73,697	787
Class II Shrinkage	113,422	6,632	120,970	9,935
Gross Total Class II Milk	6,676,053	338,343	6,141,817	306,939
Less Other Source Receipts	46,020	1,317	47,378	1,575
Less Overages	953	953	8,970	1,611
Less Beginning Inventory	1,450,348	59,825	1,307,491	55,941
<u>CLASS II PRODUCER MILK IN POOL</u>	<u>5,178,732</u>	<u>276,248</u>	<u>4,777,978</u>	<u>247,812</u>
<u>TOTAL PRODUCER MILK IN BOTH CLASSES</u>	<u>20,807,659</u>	<u>821,790</u>	<u>18,423,051</u>	<u>730,731</u>

MISCELLANEOUS INFORMATION

	<u>December 1963</u>	<u>December 1962</u>	<u>December 1961</u>
Daily Class I Milk (Lbs.)	511,956	448,828	405,350
Current Month Compared With:		+ 14.1%	+ 26.3%
Production per Farm per Day	772	698	559
Current Month Compared With:		+ 10.6%	+ 38.1%
Gross Class I Milk to Producer Milk	76.3%	75.5%	78.5%
Pool Value of Producer Milk	\$906,733	\$793,749	\$718,136
Value of Producer Milk per Farm	\$ 1,042	\$ 933	\$ 777
Wisconsin-Minnesota Series	\$ 3.16	\$ 3.11	\$ 3.31
Butter-Skim Powder Price	\$ 3.03	\$ 2.99	\$ 3.22

RECEIPTS AND CLASSIFICATION OF PRODUCER MILK
(By Months and Monthly Averages)

Month or Year	CLASS I			CLASS II			PRODUCER RECEIPTS (100%)		
	Product Pounds	Per- cent	Ave. Test	Product Pounds	Per- cent	Ave. Test	Product Pounds	Ave. Test	No. of Producers
1957	5,297,422	61.0	3.69	3,387,512	39.0	3.90	8,684,954	3.77	897
1958	5,432,954	60.3	3.69	3,583,075	39.7	4.01	9,016,029	3.78	877
1959	5,400,857	61.9	3.65	3,327,343	38.1	4.00	8,728,200	3.74	821
1960	5,906,158	63.3	3.63	3,420,711	36.7	4.10	9,326,869	3.80	817
1961									
Jan.	6,347,397	59.1	3.58	4,385,705	40.9	4.34	10,733,102	3.89	845
Feb.	5,893,981	59.1	3.58	4,070,710	40.9	4.19	9,964,691	3.83	836
Mar.	6,429,786	62.6	3.58	3,834,277	37.4	4.12	10,264,063	3.78	724
Apr.	6,044,454	60.7	3.58	3,910,303	39.3	4.05	9,954,757	3.77	710
May	11,943,187	67.8	3.56	5,666,314	32.2	4.08	17,609,501	3.73	977
Jun.	10,853,098	64.3	3.54	6,023,595	35.7	3.61	16,876,693	3.57	964
Jul.	10,885,298	70.5	3.55	4,555,992	29.5	3.36	15,441,290	3.61	963
Aug.	11,087,479	76.6	3.54	3,382,028	23.4	3.90	14,469,507	3.63	927
Sep.	11,968,648	83.9	3.57	2,294,294	16.1	3.90	14,262,942	3.63	940
Oct.	12,462,080	80.1	3.55	3,098,449	19.9	4.46	15,560,529	3.73	949
Nov.	12,290,099	82.0	3.59	2,697,330	18.0	5.17	14,987,429	3.88	953
Dec.	12,479,761	78.0	3.65	3,521,752	22.0	5.10	16,001,513	3.97	924
Ave.	9,890,439	71.4	3.57	3,953,396	28.6	4.19	13,843,835	3.75	893
1962									
Jan.	12,967,846	81.7	3.56	2,903,760	18.3	5.95	15,871,606	4.00	855
Feb.	11,727,645	82.2	3.60	3,544,941	17.8	5.40	14,272,586	3.92	819
Mar.	13,528,647	81.8	3.58	3,005,482	18.2	5.23	16,534,129	3.88	824
Apr.	12,049,134	75.7	3.54	3,858,571	24.3	4.60	15,907,705	3.80	765
May	12,509,132	68.8	3.50	5,677,878	31.2	4.08	18,187,010	3.68	775
Jun.	11,790,924	71.5	3.52	4,689,249	28.5	3.69	16,480,173	3.57	767
Jul.	11,679,887	77.0	3.49	2,484,840	23.0	3.83	15,164,727	3.57	770
Aug.	12,481,221	84.5	3.46	2,289,735	15.5	4.09	14,770,956	3.56	782
Sep.	12,855,089	83.8	3.45	2,493,284	16.2	4.48	15,348,373	3.62	836
Oct.	13,875,255	81.9	3.48	3,076,464	18.1	4.94	16,951,719	3.75	837
Nov.	13,690,606	80.8	3.52	3,252,253	19.2	5.51	16,942,859	3.90	844
Dec.	13,645,073	74.1	3.54	4,777,978	25.9	5.19	18,423,051	3.97	851
Ave.	12,733,372	78.4	3.52	3,504,536	21.6	4.75	16,237,908	3.77	810
1963									
Jan.	14,402,111	74.7	3.48	4,889,705	25.3	5.48	19,291,816	3.98	856
Feb.	13,757,097	79.0	3.47	3,650,931	21.0	5.69	17,408,028	3.93	846
Mar.	15,839,650	80.5	3.51	3,840,601	19.5	5.30	19,680,251	3.86	854
Apr.	15,186,201	75.6	3.50	4,897,648	24.4	4.52	20,083,849	3.75	863
May	15,156,334	65.8	3.51	7,870,710	34.2	3.80	23,027,044	3.61	872
Jun.	12,819,856	61.0	3.51	8,208,776	39.0	3.56	21,028,632	3.53	867
Jul.	13,744,763	68.1	3.45	6,427,697	31.9	3.67	20,172,460	3.52	881
Aug.	14,344,322	74.6	3.51	4,881,413	25.4	3.68	19,225,735	3.55	890
Sep.	14,360,070	78.8	3.47	3,863,774	21.2	4.27	18,223,244	3.64	896
Oct.	15,696,736	81.7	3.44	3,527,183	18.3	5.03	19,223,919	3.73	883
Nov.	15,472,742	79.2	3.50	4,073,713	20.8	5.20	19,546,455	3.86	891
Dec.	15,628,927	75.1	3.49	5,178,732	24.9	5.33	20,807,659	3.95	870

FORT WAYNE MILK MARKET NEWS

ORDER NO. 47 PRICES - 3.5% BASIS
(By Months and Monthly Averages)

Month or Year	Basic Formula Price	CLASS I			CLASS II		UNIFORM	BUTTERFAT DIFFERENTIALS		
		Differ- ential	Supply Demand	Milk Price	Milk Price	Milk Price	Price	Class I	Class II	Producer
1957	\$3.123	\$1.16	\$+0.06	\$4.348	\$3.123	\$3.93		\$.077	\$.068	\$.068
1958	2.965	1.16	+0.04	4.173	2.965	3.73		.076	.067	.067
1959	3.002	1.16	+0.10	4.264	3.002	3.84		.077	.069	.069
1960	3.046	1.16	+0.12	4.325	3.046	3.88		.077	.068	.068
1961										
Jan.	3.100	1.15	---	4.250	3.100	3.79		.079	.070	.070
Feb.	3.043	1.15	---	4.193	3.043	3.74		.079	.070	.070
Mar.	3.039	1.15	---	4.189	3.039	3.76		.079	.070	.070
Apr.	3.137	1.15	---	4.287	3.137	3.85		.079	.070	.070
May	3.23	1.20	---	4.430	3.19	3.64*		.076	.070	.074
Jun.	3.19	1.20	---	4.39	3.18	3.59*		.076	.070	.074
Jul.	3.18	1.20	---	4.38	3.18	4.02		.076	.070	.074
Aug.	3.18	1.20	---	4.38	3.20	4.11		.076	.070	.074
Sep.	3.20	1.20	---	4.40	3.20	4.50*		.076	.070	.075
Oct.	3.20	1.20	---	4.40	3.20	4.42*		.076	.070	.075
Nov.	3.20	1.20	---	4.40	3.21	4.45*		.076	.070	.075
Dec.	3.21	1.20	---	4.41	3.22	4.14		.076	.070	.074
Ave.	3.16	1.18	---	4.34	3.16	4.00		.077	.070	.073
1962										
Jan.	3.22	1.20	---	4.42	3.21	4.19		.076	.070	.074
Feb.	3.21	1.20	---	4.41	3.21	4.20		.076	.070	.075
Mar.	3.29	1.20	---	4.49	3.20	4.24		.076	.070	.075
Apr.	3.21	1.20	---	4.41	3.02	3.70*		.076	.067	.073
May	3.05	1.20	---	4.25	2.97	3.51*		.072	.067	.070
Jun.	3.01	1.20	---	4.21	2.95	3.52*		.072	.067	.071
Jul.	3.01	1.20	---	4.21	2.95	3.92		.072	.067	.071
Aug.	3.03	1.20	---	4.23	3.04	4.04		.072	.067	.071
Sep.	3.04	1.20	---	4.24	3.06	4.43*		.072	.067	.071
Oct.	3.06	1.20	---	4.26	3.06	4.38*		.073	.067	.072
Nov.	3.07	1.20	---	4.27	3.09	4.38*		.072	.067	.071
Dec.	3.10	1.20	---	4.30	3.09	3.98		.072	.067	.070
Ave.	3.11	1.20	---	4.31	3.07	4.04		.073	.068	.072
1963										
Jan.	3.11	1.20	---	4.31	3.10	3.99		.072	.067	.070
Feb.	3.10	1.20	---	4.30	3.10	4.04		.072	.067	.070
Mar.	3.10	1.20	---	4.30	3.09	4.05		.072	.067	.071
Apr.	3.09	1.20	---	4.29	3.08	3.64*		.072	.067	.071
May	3.08	1.20	---	4.28	3.07	3.52*		.072	.067	.070
Jun.	3.07	1.20	---	4.27	3.08	3.46*		.072	.067	.070
Jul.	3.08	1.20	---	4.28	3.09	3.91		.072	.067	.070
Aug.	3.09	1.20	---	4.29	3.10	4.00		.072	.067	.071
Sep.	3.10	1.20	---	4.30	3.12	4.46*		.072	.069	.071
Oct.	3.12	1.20	---	4.32	3.14	4.47*		.075	.067	.073
Nov.	3.15	1.20	---	4.35	3.13	4.47*		.073	.067	.071
Dec.	3.16	1.20	---	4.36	3.13	4.03		.073	.067	.071
Jan.	3.16	1.20	---	4.36				.073		

* "Louisville" plan in effect.

FEDERAL MILK MARKET ADMINISTRATOR
FORT WAYNE INDIANA MARKETING AREA

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Agricultural Marketing Service
Milk Marketing Orders Division
Federal Order No. 47

1122 South Harrison Street
Fort Wayne, Indiana 46802
Phone: 742 - 7401

COMPUTATION OF UNIFORM PRICE
(Based on reports of 18 Handlers)
December 1963

	Milk Pounds	Average Test	Class Prices at Test	Total Value	% of Pounds
Class I	15,628,927	3.4906	\$4.353132	\$680,347.80	75.11%
Class II	5,178,732	5.3343	4.358967	225,739.21	24.89
Total	20,807,659			\$906,087.01	100.00%
Add: Value of Overage				645.99	
Add: Value of Other Source Assessments				0.00	
Add: Value of Inventory Reclassified				0.00	
Pool Value of Producer Milk				\$906,733.00	
Less: Butterfat Adjustment to 3.5%				66,400.57	
Add: 1/2 Cash Balance in Producer Settlement Fund				8,405.66	Rate Per Cwt.
Adjusted Pool Value				\$848,738.09	\$4.078969
Less: Producer Settlement Fund Reserve				10,189.43	.048969
ANNOUNCED UNIFORM PRICE FOR 3.5% MILK				\$838,548.66	\$4.03

COMPUTATION OF PRODUCER BUTTERFAT DIFFERENTIAL

	Butterfat	Differentials	Weighted Amount
Class I	545,542	\$0.073	\$39,824.57
Class II	276,248	0.067	18,508.62
Total	821,790	\$0.071	\$58,333.19

The announced uniform price (f.o.b. pool plants at which no location adjustments are applicable) of \$4.03 for 3.5% milk is subject to adjustment by the producer butterfat differential of \$0.071 for each 1/10 percent of butterfat over or under 3.5%. This price is also subject to the applicable marketing service deduction and authorized hauling charges.

MINIMUM PRODUCER PRICES AT BUTTERFAT TEST FOR DECEMBER 1963

Test	Price	Test	Price	Test	Price	Test	Price
3.25	\$3.8525	3.70	\$4.1720	4.15	\$4.4915	4.60	\$4.8110
3.30	3.8880	3.75	4.2075	4.20	4.5270	4.65	4.8465
3.35	3.9235	3.80	4.2430	4.25	4.5625	4.70	4.8820
3.40	3.9590	3.85	4.2785	4.30	4.5980	4.75	4.9175
3.45	3.9945	3.90	4.3140	4.35	4.6335	4.80	4.9530
3.50	/ 4.03 /	3.95	4.3495	4.40	4.6690	4.85	4.9885
3.55	4.0655	4.00	4.3850	4.45	4.7045	4.90	5.0240
3.60	4.1010	4.05	4.4205	4.50	4.7400	4.95	5.0595
3.65	4.1365	4.10	4.4560	4.55	4.7755	5.00	5.0950

Date Announced:
January 10, 1964

R. J. Connolly
Market Administrator

